

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7318

BILL NUMBER: HB 1328

NOTE PREPARED: Jan 10, 2011

BILL AMENDED:

SUBJECT: SSACI assistance.

FIRST AUTHOR: Rep. Dermody

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ___ **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: Allows the state student assistance commission (SSACI) to transfer funds between freedom of choice grants and higher education awards. Allows SSACI recipients to use up to two semesters worth of aid on summer classes beginning July 1, 2013. Provide that assistance programs may be provided only for undergraduate courses and for no more than eight semesters. Requires private universities that accept SSACI funds to submit specified information to the commission on higher education. Beginning July 1, 2013, changes the minority teacher, special education services, and nursing scholarship programs from an up-front grant programs to reimbursement programs using income tax credits, and provides that the tax credits may be claimed after the academic program is completed. Limits the total credits to \$400,000 per state fiscal year. Limits the annual credit amount so that full reimbursement is recouped during the same period as the participant is fulfilling the program's work requirements. Requires individuals participating as students in the minority teacher, special education services, and nursing scholarship tax credit programs after June 30, 2013, to maintain the greater of the grade point average required by their educational institution or 2.5 on a 4.0 scale. Changes the eligibility requirements for the 21st century scholars program for individuals who first enroll in the program after June 30, 2011, to: (1) allow only 7th and 8th graders to enroll in the program; and (2) remove the free and reduced lunch criteria and replace it with the annual family income standard used for the free (not reduced price) lunch program. Requires SSACI to prescribe an application form and approve 21st century scholar applications after June 30, 2011. Beginning in July 2012, requires SSACI to reevaluate the financial need of 21st century scholar program participants when they enter college using the eligibility requirements used when the participants first entered the program. Provides that students who qualified for the program initially and successfully met the program's requirements but no longer meet the financial need standard when entering college are entitled to receive a one-time grant of \$1,000 to be used at the Indiana college of their choice. For individuals applying for the 21st century scholars program after June 30, 2013, requires the student to achieve a high school grade point average of at least 2.5 on a 4.0 scale.

Limits the 21st century scholars program award for students whose applications are approved after June 30, 2012, to a limit set by SSACI based on available funds and number of participants, with a cap equal to the difference between the highest in-state tuition plus fees minus the maximum Frank O'Bannon grant. Prohibits SSACI from transferring money into the 21st century program from any other scholarship program. Permits the commission for higher education to approve certificate programs of less than one year.

Effective Date: July 1, 2011; July 1, 2013.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.